

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, March 27, 1967

MR. CHAIRMAN: Before we proceed I'd like to draw to the attention of members of the Committee that up in the gallery on my left we have 32 scouts from the 57th Troop, Deer Lodge-St. James. They're under Skip Bob Gibson and his assistant, Dan Howe. They are from the constituency of the Honourable Member for St. James.

MR. BAIZLEY: Mr. Chairman, I'd like to answer a couple of questions that were put to me on apprenticeship, and there was one prior to that on law. It's a legal matter and I don't know whether I can help my honourable friends or not, but the regulation they're referring to, if they look at the Act it's referring to regular rates of pay; the regulation is referring to minimum rates of pay. Now the reason for the regulation was to provide a similar service to people who have to work at minimum rates as for those who work at regular rates or have the protection of the trade union movement. Now I'm advised that this is a very nice legal point and it could be that my honourable friends have a point and it will be looked into.

The other point on the apprenticeship is very interesting because the Honourable Member from Inkster suggested that apprentices were in ratio of five to one of journeymen. Is that not right? --(Interjection)-- I see. Well, I would like to tell my honourable friend that the apprenticeship ratio is established by trade advisory committees and that the trade advisory committees ... again on one of these balanced boards that he doesn't think too much of, but that this is the way they work; that in carpentry the ratio is five journeymen to one apprentice; in woodworking it's five journeymen to one apprentice; plumbing, five journeymen to one apprentice; steam-fitting, five journeymen to one apprentice; painting and decorating, four to one; sheet metal is four journeymen to one apprentice; automotive trade is two journeymen to one apprentice; the electrical trade is one to one. Now I have been advised, mind you, that there are people who claim that these are being abused - and I'm sure my honourable friend knows this and this is being looked into - but by law the ratio that is established by the trade advisory committees are the number of journeymen to one apprentice, not the other way around.

MR. CHAIRMAN: (a)--passed; (b)--passed; (c)--passed; (d) -- passed; Resolution 56 -- passed.

MR. GREEN: Were you not on 55 when you were calling out the (a), (b) and (c)'s?

MR. CHAIRMAN: Pardon me. Resolution 55 -- passed. Resolution 56. Item 5 Labour Relations.

MR. GREEN: Mr. Chairman, I shall try to be brief. The Minister -- I regret to say I don't feel that I was acting in advisory capacity this afternoon when I spoke, which he seems to think that I was. I was trying to point out certain problems in the department; I was trying to raise certain questions, which I don't feel have been answered. I'm pleased to know that the Minister will look into the regulation which we say is contrary to the spirit of the Act and which was passed under the Employment Standards Act, and I'm pleased to learn that they are looking into the problem of the difficulty with apprenticeship.

With regard to the Labour Relations Board, Mr. Chairman, and labour relations generally, I believe that my approach in this regard, with regard to the Minister, is one where I have attempted to be reasonable. I've indicated to him, and the Minister says that there is violent disagreement between myself and him with regard to how these things are to be done. I wish I knew which of the items we disagreed with. Before the House opened I pointed out that there is a section in the Labour Relations Act, Section 18 (1) which makes it possible that many collective agreements, which are entered into by bargaining agents under the Act, may not in fact be binding on future employers, and I think the Minister agrees that if there's a collective agreement in existence it should be binding on a future employer. The way Section 18 (1) now reads, this can only happen if it's entered into by a certified bargaining agent, and I believe, Mr. Chairman, that this is an error and that it's an error of which the Minister was not cognizant; it's an error of which his department is not cognizant; it's an error which they would like to have corrected. I felt this way from the beginning. I didn't feel that I was in disagreement with the Minister; I don't think that he disagrees with me that this is an error; and yet, apparently because he doesn't wish to have any labour relations sections, amendments to the Labour Relations Act, at this Session, nothing has been done to correct this obvious and unnecessary difficulty and one which can affect many labour organizations and employers in the Province of Manitoba.

Now this is the kind of attitude, Mr. Chairman, which was displayed in the House this

(MR. GREEN cont'd). . . . afternoon and which if it's continued to be displayed by the Minister, that if anything comes up which is going to require action on his department and this may result in him having to suggest legislation which may then be attacked by different people, that he will not do this; and this, Mr. Chairman, is my biggest complaint. The Minister says that there is violent disagreement. I wish he'd tell me where we violently disagree; on what issues. He has yet to tell the House on which issues that we've spoken about in this House there has been disagreement.

MR. BAIZLEY: Well, Mr. Chairman, I won't hesitate to tell this committee at the present time that here's a point that we disagree on. My honourable friend says it's an error and, to be quite candid with the committee, we're not sure that it's just an error and the matter is being studied. Now if it is an error, why, necessary legislation will be put forward that will correct it. If it isn't, it will stay the way it is.

MR. GREEN: The Minister will agree that this was brought to his attention on December 5, 1966, the day before the House opened, and his department can't yet determine between then and now whether this is or is not an error.

MR. CHAIRMAN: Resolution 56--passed. Resolution 57. Item 6. Fire Prevention.
(a) --passed. . . .

MR. EARL DAWSON (Hamiota): Mr. Speaker, I'd like to direct a question to the Minister of Labour - naturally. I'm concerned with the legislation that was supposedly to be introduced last year in regard to people who were operating high-pressure boilers. The Department of Labour had suggested that anyone that had a high-pressure boiler, they wanted them to hook up a special alarm system which would be tied into the telephones, and this caused quite a bit of concern to many of the people who have high-pressured boilers in their business or hospitals or any place like this, because of the expense that would be involved in maintaining the type of alarm system the Department of Labour had suggested. They had suggested that the alarm be tied into the telephone and a cost of anywhere from \$8.00 to \$25.00 a month would be levied on the person owning the boiler to cover the rental fee for his alarm. Now I know a number of people who wrote to the Department of Labour protesting this proposed legislation that was to be enacted or brought into being last year, any many of them did not receive a reply to their letter of protest nor have they been asked to do anything further, and they're still a little concerned because some have come up with another idea of an alarm system where if anything went wrong with their boilers they could be notified. The thing is kind of up in the air and I thought maybe the Minister could give me the answer on this.

MR. BAIZLEY: Well Mr. Chairman, I haven't had any requests or correspondence on this matter. If the honourable member would like to share the information that he has with me I'll see what action we can take.

MR. CHAIRMAN: (a)--passed; (b)--passed; Resolution 57--passed; Resolution 58, 7. Research. (a)--passed. . . .

MR. PETER FOX (Kildonan): Mr. Chairman, on this item here I'm not sure whether this is the (a), but I believe that there's been some research into safety, and I wonder if the Minister would give us some reply, especially in regard to the construction industry. There's one other area in respect to this research and that is with regard to automation. The Boiler Pressure Vessel Act has been altered through the regulations and there's been some discussion with his department in this area, and I think there was supposed to be some consultation and I believe also some research to see how this area is to be developed and evolved. I wonder if he could comment on that.

MR. CLEMENT: . . . the Honourable Minister is looking up, I see under Research the salaries have risen from \$39,000 to \$54,000. This is considerable increase. How many members does this entail?

MR. BAIZLEY: Well Mr. Chairman, the function of the Research Division is to compile and analyze information and assist in policy formulation. It reviews and studies and reports on matters raised in the Legislature relating to the work of the department. It assists in the development of training programs that will meet the demands of employers for skilled and semi-skilled workers; provides for secretarial and research assistance to the Labour-Management Review Committee, the Woods Committee. It assists in the wage and salary survey and in the annual report of the department.

The matter of salaries. The increase in this year's vote, from \$39,730 to \$54,366, is general increase in salaries, the annual increments; there's a staff turnover and transfer from the administration division involving \$9,000. That accounts for the \$14,000 increase. There's

(MR. BAIZLEY cont'd) an increase of \$6,200 in consulting fees, travelling expenses, and reports for the department.

MR. CHAIRMAN: (a)--passed; (b)--passed; Resolution 58--passed. That completes the Department of Labour.

MR. MOLGAT: Mr. Chairman, before you proceed to call the next department, I wonder if the acting Leader of the House, which I presume is the position of the Provincial Treasurer tonight, could indicate the It seems that everyone else has left. He's -- Oh, here's -- the conference is coming. Possibly he could inform us as to what the next order of business will be. We have, I think, the Urban Development and Municipal Affairs next, and Mines and Natural Resources. Judging from the way the Committee is proceeding rapidly with its work, the Minister might be able now to tell us the complete course of events for all the departments that are left.

HON. STERLING R. LYON, Q. C. (Attorney-General) (Fort Garry): Always happy to oblige my honourable friend, Mr. Chairman. The next two departments after Mines and Resources will be Industry and Commerce, and Provincial Secretary.

MR. PAULLEY: Mr. Chairman, I wonder if my honourable friend can guarantee that we will be dealing with the Ministry of Industry and Commerce and the other Department.

MR. LYON: Mr. Chairman, I can give no guarantee as to how long my honourable friend is going to talk.

MR. MOLGAT: Industry and Commerce and then?

MR. LYON: Mines and Resources, Industry and Commerce, and Provincial Secretary.

MR. MOLGAT: And then after that?

MR. LYON: We will advise you in due course.

MR. CHAIRMAN: Department XVI, Urban Development and Municipal Affairs. Resolution 104. Item 1. General Administration.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs) (Cypress): Mr. Chairman, my opening remarks will be brief as I introduce, for the first time, the estimates of the Department of Urban Development and Municipal Affairs. Before we begin to consider my estimates, I am sure that the House will allow me to pay a well-deserved tribute to my Deputy Minister Mr. Chappell. Without his guidance, his assistance, his support, my task indeed would be very difficult.

This department receives a greater number of delegations during the course of a year than most people realize. Municipal men request the advice of Mr. Chappell. They seek his guidance on the interpretation of the Municipal Act and all other legislation that is administered through this department. I know they always receive a very warm welcome from Mr. Chappell, an attentive hearing, and certainly sound advice. All this, you will realize, is in addition to his duties as Deputy Minister, and I want to publicly attribute to him the credit for the efficient organization and sound administration of this department. In acknowledging the dedicated services of my Deputy, I wish also to extend my compliments to all the staff of the Department of Urban Development and Municipal Affairs. Indeed, Mr. Chairman, I feel most fortunate in having such a competent, capable and efficient staff of men and women at my disposal and at the disposal of the people of the Province of Manitoba for the implementation of the affairs of the Department of Municipalities of this province and the administration of public housing and urban renewal in the province.

Although my remarks will be brief, I am sure the honourable members will agree that a small portion of the time devoted to the consideration of the Estimates of this department can be well spent in a short review of some of the highlights of the activities of the department during the past year, and an indication of what our program during the coming year will be.

January 1st of this year brought with it the incorporation of the new town of Thompson and the amalgamation of the town of Brooklands with the City of St. James. The major steps taken by these two areas of the province, although they are of opposite nature, are both steps forward and I am sure members of the Legislature will join with me in extending to the residents of both these areas our congratulations on the decisions that they have made.

Municipal tax collections throughout the province have been maintained at a high level. During 1966, collections amounted to 99.41% of the taxes levied. This is indeed an excellent record, especially when it is considered that 1965 was a year in which a very high collection, a record of 105.83% occurred. This high 1965 collection record substantially reduced the amount of collectible arrears in the Province of Manitoba. During 1965, the last year for which we have final figures available, 170 municipalities operated on a cash basis, almost

(MR. FORBES cont'd) double that of just a decade ago; 180 municipalities are presently operating in a cash surplus position. Only 16 are in a deficit position, compared with 147 in a surplus position and 49 in a deficit position just one year previous.

I have tabled in the House a report of the Municipal Board and will therefore not dwell on the activities of this board. However, I wish to compliment the chairman of the board, Mr. W. J. Johnstone, the members of the board and the staff, for the excellent manner in which the functions of the board are carried out.

Our public housing and urban renewal program under the able direction of Mr. Neil Osler is receiving more widespread acceptance by all municipalities in Manitoba. Urban renewal studies are now in varying stages of completion in communities from Altona to Flin Flon. In the City of Winnipeg the implementation of the first urban renewal scheme has now progressed sufficiently to allow for the reconstruction of the area known as the Lord Selkirk Park area. A new street pattern and a relative municipal services have been provided in this Lord Selkirk Park area. The tenders have been let and construction has been commenced on the second public housing development in the City of Winnipeg. This development will contain some 328 units and it is designed to accommodate some 1,343 persons in an area of about 11.59 acres. The legislation being brought forward to establish a housing and renewal corporation will enable further assistance to be provided in meeting the needs of housing in the Province of Manitoba.

Our Local Government Districts Branch has, with the establishment of the Local Government District of Gillam which will service the Nelson River Development, has now 18 areas of the province under its jurisdiction. Mr. George Forsyth, formerly resident administrator at Lynn Lake, has been appointed the General Supervisor of the Local Government District during the past year. Mr. Forsyth is an experienced and capable administrator, and I am sure that all the districts will benefit by his guidance.

The Municipal Assessment Branch, under the direction of Mr. J. Reimer, has been expanding its program during the past year with a view to implementing the recommendations, of the Michener Commission, that all properties should be completely re-assessed at intervals ranging from a maximum of five years down to one year. Progress is being made. New assessments are being used this year as a result of work undertaken in 1966 in some 16 rural municipalities, seven towns, three villages and one Local Government District. The program for 1967 calls for the re-assessment of 27 rural municipalities, two towns and one village. As the increased staff of this branch becomes better trained and more experienced, the program will continue to expand until the ideal assessment interval is reached.

The Municipal Planning Branch is providing planning services now to 51 communities. Mr. John Whiting, formerly the chief planner, has during the past year been promoted to the position of the Director of Planning. Mr. Whiting will, I am quite certain, maintain the high degree of service and assistance for which this branch has been noted.

Mr. Jack Richmond, the Director of our Municipal Budget and Finance Branch, along with his staff assists municipalities in a wide range of financial matters. This branch is actively engaged, in conjunction with other provinces and the Dominion Bureau of Statistics, in the revision of municipal accounting classifications in the hope that a standardization of practices can be obtained. Such a standardization will result in a great improvement of the statistical information that can be made available for study and comparison purposes. During the past year approximately 50 percent of all operating budgets of the municipalities were submitted to the director for his review and for information. This is a service that is valued by many of our municipal corporations.

There has been a new development in which my department is involved, and in which I am certain that all the honourable members will agree is an important step forward, in the introduction, in cooperation with the Municipal Secretary-Treasurers Association and the University of Manitoba, of a four-year certificate correspondence seminar course for municipal Secretary-Treasurers. The course has been designed to improve the administration of our municipalities and it will cover a variety of subjects. The course is concentrating this year on financial matters. Approximately 150 municipal Secretary-Treasurers and their assistants are presently taking this course and I'm pleased to say that beneficial results are already evident. The correspondence portion of the course is augmented by one-day seminars which are held in various locations throughout the province to assist the participants in their studies. Several members of the senior staff of the department assist in lecturing at any of these seminars.

(MRS. FORBES cont'd).....

The Municipal Services Branch, with its director, Mr. George Hogan, works in close cooperation with all the municipal officials in the province. The Municipal Services Branch annually provides for each municipality a revised assessment roll for Court of Revision purposes, and subsequent to the final revision of this roll, with a combined assessment tax roll for taxation purposes. In addition, and at the request of any municipality, this branch will compute the taxes and prepare the statement and demand for taxes for that municipality. This service is being used increasingly by the municipalities. In 1966, 104 taxing jurisdictions in the province requested and were provided with this service. It's anticipated that more municipalities will apply and will be provided with this service during the year 1967. The basic data included on the punch cards under the jurisdiction of this branch is being converted to tape. When this conversion is completed these data will be in a form more easily utilized in research and statistical programs. It is hoped that ultimately data, including information on property ownership, on assessment, on taxes, planning controls and land utilization will be assembled in a data bank from which such information may be readily obtainable.

The Local Government Boundaries Commission Act was passed at the last session of this Legislature. This provided for the appointment of a commission to enquire into and recommend to the government the territory to be included in and the boundaries of proposed local government units in the province. The Chairman of the Commission is Mr. R. G. Smellie; the Vice-President is Mr. R. Lafreniere, and the members of the Commission are Mr. John Bellows, Mr. M. R. McIver -- I may say Mr. John Belows is from Assiniboia, Mr. McIver from Reston, Mr. Ernest Enns from Winnipeg, Mr. S. G. Wopford from Arborg, Mr. Zeph Audet from Otterburne, Mr. R. H. G. Bonnycastle from Fort Garry, Dr. W. C. Lockhart from Winnipeg, Mr. M. Posmituck from McCreery, Mr. H. M. Kay from the Rural Municipality of Shellmouth, Mr. C. J. Riediger from Manitou, Mr. H. W. Shearer from the Rural Municipality of Gray and Mr. Peter Thiessen from the Rural Municipality of North Kildonan. These gentlemen collectively bring to the Commission a knowledge of both rural and urban problems of both municipal and educational nature.

The Commission has been actively pursuing the duties that have been assigned to it. A research staff has been employed to analyze available material and to review existing studies, particularly in the Interlake area, to avoid a duplication of research in that area. The Commission has dealt with some 145 elementary school consolidations outside the Interlake area. They have proceeded sufficiently with their research program to recommend to the Minister of Education that single district divisions be established in the Interlake area. Numerous meetings have also been held by the Commission in the Interlake area with municipal and school officials as well as with the local residents of that area; and in addition the Commission has met with numerous other delegations of municipal and of school officials from other areas of the province. Research is continuing in the Interlake and we expect that at an early date the Commission's recommendations respecting the proposed boundaries of the school divisions will be made respecting the school boundaries of school divisions in that area.

In addition the Commission is conducting research into the features of the territories to be included and the boundaries of school districts and divisions in other areas of the province. Although the commission's investigations of the territory to be included in the boundaries of the local government units in the metropolitan area of Greater Winnipeg is of second priority in the work of the Commission, the magnitude of the research required in this area has prompted the Commission to initiate the initial stages of its research program in Metropolitan Winnipeg. The Commission is taking its responsibilities seriously and I have no doubt that their recommendations will be soundly based on its research finding and on information obtained through personal contact with interested persons in the areas affected by its recommendations.

You will understand that my remarks on this occasion do not in any way, Mr. Chairman, cover the entire ambit of the operation of the Department or of the municipalities of the province. It's quite possible that the honourable members will have matters which they would like to discuss with me and I will be pleased to endeavour to provide any additional information as much as possible on any matters within the jurisdiction of this department.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Chairman, my first words would be words of congratulation to the first lady member of the Cabinet of this government and particularly as the Minister of Municipal Affairs.

She has mentioned the fact that she is dealing with a group of individuals who are the outstanding administrators of governments of Manitoba, and while she didn't use the term I

(MR. DOW cont'd). . . . think she would like to use it, they are the grass roots of the Province of Manitoba. I would like to associate my first remarks with her administrators, her Deputy Minister and her other members of her department. They have given very cheerfully of their time and advice to the various municipalities throughout Manitoba and are well respected and looked up to in their remarks and the help they give.

But, while everything looks to be quite rosy, I'm sure the Minister wouldn't expect me to stand up here and say that everything is well and rosy, that there are a few things that are disturbing within the Province of Manitoba, and if I might take them, Mr. Chairman, in the order of priority as I see them. The Minister herself made a statement at a municipal meeting some short time ago in regards to boundaries, of which she became very enthusiastic, that our boundaries in Manitoba could grow and grow and we in western Canada could grow and grow to a point that we might have a province - and I haven't got the right name that she put to it - but anyway we'd be one big unit. This has been a disturbing nature throughout the, with the municipal men. We get back to the same old arguments that we've had in the past week or two in regards to local economy and efficiency and it is disturbing.

The municipal men in Manitoba, in my opinion, have done an excellent job in administering the affairs of the municipalities. They have been conscientious, they have been sincere and they have had a job of administering a local government that I would like to say that they're second to none in Canada, tax wise and efficiency. And so we come to a theoretical figure recommended by various commissions that boundaries should be enlarged, and Mr. Chairman, I have yet to find a person that can conscientiously stand up and say we will expand the boundaries because it will be more economical to the taxpayers of that particular municipality. They do say we will expand the boundaries because it becomes a little disturbing when ministers of this government, not currently but previously, have said that some day we might become an electronic type of machine where a local clerk in a local municipality would just be pressing buttons and everything would be centralized in one central office. Now to me this is a very dangerous sort of a maneuver because the economy of our municipalities, the well-being of our municipalities are based on the fact that the taxpayer can come in and sit down and he can talk with a Counsellor, he can talk with a Secretary-Treasurer and he can iron out his problems, and he's certainly not going to be happy if we're going to sit and take a look at a fact that all we have to do is press a button to get some result. I think that unless this boundary can come up with the fact this is economically sound, I think we better take a good look at it before we disturb the well-being of municipalities throughout the Province of Manitoba.

I am also disturbed of recent remarks that have been made in the last few days in regards to the various interest of peoples on the Boundaries Commission. I think this is really bad in this respect, that how can we adjudicate the fact if we have people that are taking impartial views and setting up their own views in regards to personal reasons. There are a couple of members of this Commission, very good friends of mine, but I would like to suggest to the Minister just how can they sit down and be impartial in adjudicating boundaries, particularly in metro Winnipeg, with two individuals who are mayors of two particular corporations. I think this is a mistake that these type of people are appointed to a Commission that are going to recommend certain boundaries.

Recently we've had some discussion in regards to our Medicare Bill, and I am quite sure that if this bill is put into operation, the municipalities are going to be asked to do the same with it as they had their hospitalization, that they're going to be asked to be responsible for premiums and for non-payment of premiums by residents. This is starting to be, Mr. Chairman, quite a burden in some municipalities. In municipalities where we have the people that are what you would call more the fly-by-night type, they don't care whether they pay or not, this becomes quite a burden, and I'm sure that with the excess of medicare premiums added on top of this that this is going to be a fairly substantial cost of administration to the various municipalities. I haven't got the solution to it right at the moment but I think that we are going a little too far when the Province of Manitoba sets up a scheme and turns around and says, now fellas because you are the municipality within the Province of Manitoba anybody that doesn't pay you must pay. This in some municipalities is not a problem but I'm sure that if you check the records in some places it becomes quite a problem. I don't think it's quite a fair shake to taxpayers that they have to implement this type of a burden, to carry cost of social legislation that might come into being.

Recently this government, Mr. Chairman, put into effect the cost of assessment costs in the Province of Manitoba. And here I'm not belittling the job that the Assessment Branch is

(MR. DOW cont'd). . . . doing in Manitoba, I think they're doing a very thorough job, but to ask the municipalities involved to pay 100 percent of the cost of assessment in Manitoba when actually the statistical figures that are produced from this particular assessment throughout the province are, if not more, as much benefit to many other sources of government in Manitoba. You have the school divisions, the school districts, the province itself and when you get to a point that your assessment over the years has got to a figure now that in most municipalities is running upwards of a mill to carry the assessment, it starts to become quite a large figure. I'm sure the Minister has heard this as I have that I think the government has shirked their duty a little bit in loading the full cost of assessment on municipalities. I would like to know just how this cost is apportioned and what has been - a few of the incidents that have been derived from this added cost is that we lend ourselves to leave everything to a centralized group.

I have great regard for our watchdog, Mr. Richmond as the honourable minister mentioned, but I have some very pointed arguments with him. His position in regards to the department is to very definitely see that safeguards to the assets of the taxpayer are set up. A few years ago the machine that the honourable minister mentioned started tabulating tax statements, these came out in unbounded form, went to the municipalities, and immediately following this there came quite an upsurge in the fact that to make a good job you must have cash registers. This lent itself to a fairly large cost to municipalities and unfortunately, unfortunately, regardless of the safeguards we have we do have - let's say - discouraging incidents because of people handling funds and the cash register was not the solution to this safeguard. I'm wondering whether we're going too far in suggesting that a properly trained Secretary-Treasurer, a Council that is giving enactive advice to the administration staff in the office, that we have to come down and be dictated to, that we must have these type of machines or something else. I have discussed this on many occasions with the department and personally I am not convinced that municipalities at the present time should be requested to buy these machines which are very costly, and which if we go through with the scheme of enlarged boundaries, then are the machines capable of handling the work? So are we not investing more money in this particular type of machine than is necessary until we get ourselves into a position that we are sure what we are talking about.

Now, Mr. Chairman, there are several other things in regards to the Department of Municipal Affairs, and for some reason or other the poor old local municipality has to be the brunt of it, and the one I'm thinking of, if any of you have had the experience of sitting in a municipal office and try to see the amount of forms that come out of government departments asking Secretary-Treasurers to fill out, at no compensation but a waste of time, as far as I am concerned, to the local taxpayer. These things may mean I don't know what to the department they want, but they certainly are of no value whatever to the local taxpayer, and they take up a large percentage of time in regards to the particular Secretary-Treasurers.

I don't know whether the Minister will have the answer to this question, Mr. Chairman, but in 19 school divisions in the Province of Manitoba the tax rebate will be credited at the municipal office. I would like to ask her the question; are the tax rebates from the Province of Manitoba being paid to the municipality immediately upon claim by the municipality for the total amount, or does the municipality have to finance this until such time as they come to a cut-off date, maybe in the fall of the year, maybe in the spring of the year? And if they do, they're imposing quite a burden on the municipalities. I am going to suggest that it would be very nice if this government would say to those municipalities: "You put your claim in immediately you have your tax roll balanced and we will send you a check of all the monies in regards to the school rebates so we can credit it immediately the people come in to pay their taxes."

One noticeable item I see in the department that kind of makes me wonder, that the grants in lieu of taxes by this government are the same figure in 1966 as they are in 1967. Surely, Mr. Chairman, we're not to anticipate that there will be no increase in taxes, or is there going to be a reduction of formula? It's the same amount of money and if we're spending the same amount, then I suggest that the department has a much more optimistic viewpoint than I have in suggesting that the taxes are not going to be higher, because it is exactly the same amount in the estimates before us tonight.

There's one disturbing factor that I can't blame anybody for, but I would certainly like to have somebody take a look at. Throughout the Province of Manitoba, to give protective measures of assistance to properties, the fire departments are called from one corporation to another, and there seems to be a wide variety of connections. Surely this would be a very

(MR. DOW cont'd). . . . simple thing for the Department of Municipal Affairs to come out and say, "Look, this is to be the standard connection," because on many occasions throughout the southwestern part -- and we are a fairly congenial sort of a neighborhood down there; we do move around if somebody's in trouble; but you know, it's a little embarrassing if you take fire equipment 25, 30, 40 miles and end up in a community that you can't hook on to their equipment, and I think that some standardization of fittings would be beneficial to the Province of Manitoba, not only to give added protection but it would simplify and maybe reduce the cost individually to these various municipalities.

Mr. Chairman, these are a few remarks I have in regard to these estimates. I may have some other questions a little later.

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MR. MILLER: Mr. Chairman, I have a few comments I'd like to add to the debate.

First, I would like to join with the Member for Turtle Mountain in conveying my congratulations to the Minister for her appointment as Minister of Urban and Municipal Affairs, and to acknowledge, as did the former Speaker and the Minister herself, the high esteem in which Mr. Chappell is held throughout Manitoba by all municipal people, both rural and urban, and from my own experience I have to admit that there's never been any problem whatsoever in reaching Mr. Chappell, in consulting with him, getting his honest appraisal of the situation, and it has always been a pleasure to speak to someone who apparently has the entire Municipal Act at his fingertips, and to do that, as some of you may know, is quite an achievement because the Municipal Act, which should have been re-written and consolidated about eight years ago and hasn't been done as yet -- as I say, this man has the capacity somehow to be able to put his finger on any point required at a minute's notice without any research whatsoever. Having said that, I would like to make some comments on the estimates and the speech by the Minister.

My experience has been mostly in the urban areas, which is somewhat different from that of the previous speaker. Nonetheless, I have been in touch with some of the rural members, some of the members from municipalities, from towns and villages in Manitoba, and I recollect a very few years ago going to municipal and urban conventions and hearing year after year speakers from the department, whether the Minister himself at the time, or the Deputy Ministers or other speakers, coming to the municipal people and saying, as I say, time after time: "Things are not rosy for the municipality, but you are to blame because you're sitting back; you have your hand out constantly; you keep running to the government for more and more funds; and if you do that you inevitably weaken your position, you inevitably undermine the vitality of your own position, and you'll end up eventually as simply being an adjunct to a powerful central office somewhere in Winnipeg." And the end of the plea always was; "You come up with an answer. You give us a solution. The government is looking for an answer and if you have one we will do what we can to help implement it."

Well, it's interesting that the people that run the municipal affairs in Manitoba responded. They didn't shrug their shoulders and say, "There is no answer," or "We don't know an answer." They accepted the challenge and they established their own fact - finding commission supported by their own funds, the Urban Association and the Association of Rural Municipalities - The Fisher Commission is what I am talking about. And they came out with very good recommendations, based on very sincere studies approved by both bodies. And I remember the day when this report was brought in, and news came out the very same afternoon that the Government of Manitoba decided that what the Commission was reporting apparently wasn't entirely to their liking and instead we were going to have a Michener Commission appointed. So all the work and all the studies that had been made apparently were going to be ignored and a new commission was going to be established to study the matter further and to look at it from the Provincial Government's point of view. I remember clearly that this was an afternoon when feelings ran very high at this particular convention, because the feeling was that somehow the municipalities had been led up the garden path, they'd been led into believing - and perhaps they were naive - that if they honestly and sincerely did their homework and if they honestly and sincerely came up with some answers to the problems, that the government might honestly and sincerely give it consideration, instead of which they got another commission. But the municipal men in Manitoba are used to taking it on the chin and so they hung on and they waited for the Michener Commission to come in, and they put forward a number of briefs to the Michener Commission and much study went into that; and in 1963 we got the Michener Commission. Now it's 1967 and we've got mighty little in the way of action from the part of this government on the recommendations of the Michener Commission.

There's been much said that the situation in the municipalities in Manitoba is not very healthy, and this is true. I think there is a crisis within municipal government in Manitoba. I think it's a crisis not of the making of the municipalities and it's not entirely the fault of the Provincial Government. I think perhaps that the crisis that's facing us is not due to an original error, in other words, but rather to uncorrected obsolescence. It has been gradually creeping up on us. Municipalities have gone into programs for which the municipal rate, the realty tax, the local realty tax, was never designed. Originally it was planned, or it was thought that local taxes should be raised to pay for purely local problems, matters which were limited to a local area, but that day is gone; it's long gone; and it's recognized now by all that we cannot continue on the same basis, that the local realty tax simply cannot and should not be expected to provide the services which a modern society demands.

(MR. MILLER, cont'd)

In the Goldenberg reports, one of the Goldenberg reports dealing with Manitoba taxation and revenues, he wrote as follows: He said, "The social and economic changes of the Twentieth Century shifted the emphasis in municipal development from essentially regulatory local activities of limited scope to costly construction services such as education, social welfare, health services, transportation. Municipal revenues are called upon to finance functions which are no longer a purely local interest but are required province-wide or of national interest." And this is what is really behind the present dilemma and the problems which face municipalities. They are, as I say, being asked to finance operations which they can't do, and as a result the municipalities annually meet to study their budgets, and the truth of the matter is it's the most frustrating experience possible, because in fact the amount of leeway or elbow-room in determining a mill rate or an annual budget is very very small. The education budget is established by the school board. Debentures and previous commitments are established well in advance. There are certain basic services as health, as welfare, which cannot be in any way changed and which are fixed, so that in fact the city or the municipality finds itself in a position where it's arguing - by "arguing" I mean the aldermen and the council as between themselves - on where to squeeze, and inevitably it comes up with, "Maybe we can do with one less policeman; maybe we can do with a half a fireman less; maybe we can get rid of the fire department; maybe we can keep wages down;" but that's about it. That's all they have to contend with. And perhaps the worst feature of it is that municipal functions, truly municipal functions that should have been undertaken, programs for renewal, for redevelopment, programs for new installations, for bringing recreational facilities up-to-date, for making the communities more amenable, places where people want to live and enjoy living not just coming home to sleep, those things have to be postponed and they're still being postponed.

Now I know the Minister may say -- he may turn around and say to me, "Ah, but now we've changed everything. Now we've got a new educational formula. Now we're going to alter things." I suggest to you that he is just scratching the surface. We haven't resolved anything simply with that one item. The Michener Commission, the Fisher Commission before that, and every other commission in my memory has recommended that the Municipal Government should get out of services which serve people. In other words, services relating to health, services relating to welfare, services relating to education are not within the area of responsibility of a local municipality. They can't be in a modern society. They shouldn't be. And the municipal tax base is a tight, small and almost fixed tax base. It's a constant tax base, it's true; it doesn't vary much. As the Minister pointed out a few minutes ago - the very high payment of taxes in Manitoba - I'm not surprised; and I'm not sure that it means anything except as a nice statistic to throw around. Because to suggest that therefore Manitoba's affluent, is I think somewhat misleading. What she's simply saying is this. People have bought homes. They're committed to 20- and 25-year mortgages. This is their home; this is their investment. And all she's saying is that no matter what else they do and no matter what else they have to cut back in, they have in this last year, in the last twelve months, they have paid the municipal taxes. Well certainly they have, because they can't afford to lose those homes. This is all she's really reporting, that the people have budgeted and have sacrificed other things to pay their tax bill. And certainly this isn't surprising, but I don't think it represents or reflects the affluence of the individuals in Manitoba nor the financial position of the municipalities either.

Now when we talk, as has been mentioned here on a number of occasions by the First Minister, both in the House and out of the House, of the need to shift taxes from the municipal level to the provincial level, when we talk of a shift of taxation from one level to the other, what we're really saying, therefore, and admitting is that the tax on property is not equitable, because if it was equitable there would be no need to shift anything. So we're admitting that it isn't equitable to start with; and that by the need to shift points out that the present method of local taxation doesn't relate to any ability to pay, because a man's house does not reflect his ability to pay. There have been a number of statistics - I won't introduce them to the House because probably most members know them; I'm sure the Minister does - showing quite clearly that the ability-to-pay concept or philosophy doesn't in any way enter into the picture insofar as tax on real estate is concerned. It has no bearing on it whatsoever, and the municipalities in the last number of years - and I predict in the future - have no choice but to increase their expenditures constantly unless there's a complete change in the approach by this government.

Now I remember the debate - I think it was the Budget debate or the Throne Speech debate -

(MR. MILLER, cont'd) where this government argued that Ottawa dealt them a foul blow, that they had come to the Dominion-Provincial conference and had shown their position, that the provincial expenditures are going up, federal expenditures are going down, and therefore they were entitled to a better tax division. Now, at that time I was curious because in the lumping together of provincial, or in the giving of the figures on provincial expenditures they didn't break down the difference between provincial expenditure and municipal; they just lumped it altogether because the municipalities were considered part of the provincial responsibility. And I find that in the brief submitted by the Federation of Mayors and Municipalities last November to the Federal Government, a study, or statistics on a study was made by the National Industrial Conference Board, and it revealed this, that in 1965 municipalities accounted for 42.7 percent of all government spending, but the federal share was 34 percent and the provincial expenditures really amounted to only 23.3. So although it's true that if you combine provincial and municipal expenditures they do indeed exceed that of the federal, but if you then separate the provincial into provincial and municipal, you find that municipalities are expending more than the provincial. And in the terms of capital outlays, the municipalities are expending 40.6 percent, the Federal Government 17 percent and the provinces 42. There the provinces and municipalities are almost equal. So that what we have in Manitoba is a situation where actually the municipalities are the ones who are doing most of the spending of money and most of the incurring of debt. And this is because, as I said earlier, because the municipalities are saddled and have been saddled with responsibilities which they shouldn't have and cannot be expected to handle from a local realty tax, and although the new Bill dealing with education is a step in that direction, it is a small step; it is not the answer; and I predict that unless changes are made within that Act itself and with the method of paying for education, within 24 months we'll be back where we started from with the municipalities carrying the full burden.

Now there's a couple of other items I want to touch on. Perhaps I might later on, as we go through the estimates, bring up some of these again but I just want to touch on a few of them. I don't want to spend too much time on the debate because I know that members are waiting to deal with other departments and other estimates and our time is running short. The question of - I've just referred to it earlier - of amending, or bringing in changes in the Municipal Act which we've heard about for a number of years (we're always being promised that next year's the year that we're going to change the Municipal Act entirely) and I want to bring up the question of the City Charter, the charter dealing with cities. As it stands today, as some of our municipalities or urban areas grow, they come here to the Legislature to ask for their own charter. They do this for a number of reasons, because the way the Municipal Act is now set up it is very awkward for them to work under the Municipal Act and I can see why they prefer to get their own city charter, but I think the time has come that we should have a charter to cover all the cities, whether they be in the Metro Winnipeg area or outside of Winnipeg. It's high time they had their own charter. They have their own problems; they should be recognized; they should be dealt with separately. To have Fort Garry still, under the Municipal Act . . . refer to the Rural Municipality of Fort Garry and governed by the old Municipal Act, just doesn't make sense any more.

There's one other item that I think needs mentioning - I'd like to mention, is the question dealing with by-laws and ratepayer votes. I'm wondering how long we in Manitoba are going to stick to that old concept that may have originally had some merit but today I feel it has none at all, and that is to allow only those who are on the tax roll and who pay taxes to vote on money by-laws. We trust people who rent to elect aldermen or councillors who can then step into office and for the next 24 months spend money like drunken sailors. We acknowledge that people have the right to elect this kind of individual, but we don't somehow feel that they have any right or sense enough to vote on a money by-law. This to me makes no sense at all, and I think generally that we have to recognize that you cannot continue to govern by referendum. On this we've had a perfect example in the last few weeks here, and I feel the same way about the needs of a municipality to construct or to acquire certain facilities that are essential if a modern municipality is to continue operating. In the Greater Winnipeg area in the last 24 months, I believe, a number of money by-laws have been defeated, money by-laws which would have gone to build such things as police stations, fire halls, public works buildings, all essential if the municipality is to function, is to carry out its obligations. And yet these have gone down to defeat. Now I'm not critical of the ratepayer who says, "With the financial situation as it is, with the taxes on the houses what they are, I cannot bring myself to vote yes for something that I know is essential," and I'm not critical of him, but I say that we cannot

(MR. MILLER, cont'd) govern that way. We have to, if the municipalities are to function at all and if they're to do the job required of them and which I think they can do, then they must be given the authority that if, in the wisdom of the council, they feel that a public works garage is required or a fire hall is required, that they be permitted and given the right to build that particular edifice. They could be subject to some controls or checking on the part of the municipal board - I can understand that - to make sure that the debt is not too heavy for that municipality or the ratio of the debt to their assessment is in line, but beyond that I can't for the world of me see why we still hang on to these old systems, especially when something else is entering into the picture; where you have a situation in some municipality of a new type of development; where the land is still in the title of the developer but the homes constructed thereon are bought by the individual but they never acquire title to the site - they're lease holders. I think this has developed in Transcona and one other municipality, and as a result these people who have bought homes, 16, 17 thousand dollars, cannot vote on a money by-law. They can vote for the aldermen; they can vote for a school by-law because that's permissive, anyone can do that; but they cannot vote on a money by-law and yet they pay taxes the same as anyone else. The renter, too, is in an odd position in Manitoba and he's going to be in a worse position after we pass the Education Bill. He is going to be in a position where he's going to have to pay the taxes, or the rent rather, to cover a 33 mill tax on his suite and apartment, but he is a second-class citizen. He cannot vote for a money by-law and neither he nor the leaseholder can hold office. They cannot hold office for council; they cannot hold office for school board. Now this to me is something that has to be corrected. It makes no sense at all today and it's a carryover, as I say, from an old concept where the man of property, the home owner, was somehow a solid citizen and everyone else wasn't considered that way. But I don't think we at all subscribe to that now and so why we hang on to some of these old myths I'm not sure.

I'd like to dwell for one moment on Metropolitan Winnipeg and bring the Boundary Commission in at the same time. The Boundary Commission from all reports, has as the Minister reported, although it started working on Metropolitan Winnipeg it doesn't feel that this is one of its primary objectives, that the other problems are more pressing and that it will try to resolve the problems of rural Manitoba before it gets at Metro. And this is a matter of priorities and I'm not going to argue that, perhaps not; but because this is so, I think that this government should not wait for the Boundary Commission to resolve its problem. We don't want to be put in the position two or three years from now where a Boundary Commission brings in recommendations and the government of that time is going to come along and say, "Well now, we have a Boundary Commission who's decided that the boundaries of this area shall be a certain shape, a certain size. Now let's all get out and sell it, and we'll offer them a carrot by giving them certain grants or relieving them of certain obligations such as health costs or welfare costs or all of their education costs." I think this would be folly; I think it would be wrong; and I think it would make for a situation where the municipalities would be in worse shape than they are today. I think that if the government has a program to ease the burden on municipalities, if it has a program to make a more streamlined municipal government, if it has a program - and I've heard speeches that they claim they have one; I've yet to see it - but if they have a program whereby - and I think - I'm trying to remember a certain Minister's words - where we must or will try to keep the municipalities as viable units of administration so they can properly fulfill their functions and serve their people, if indeed there is such a program, let's not wait for a Boundary Commission to come in first. We can do these things now; we can introduce these things now and the Boundaries Commission work will not be affected and at a later date when recommendation do come in and if they make sense they can be at that time put into practice.

And the same applies within the Metro area. Here you have a situation where if the Provincial Government had acted on the original findings of the Metropolitan Fact Finding Commission in 1957 I think it was, or '58, we would have had eight cities. Well, that got nowhere, it went down the drain, the Provincial Government wouldn't accept it, they blamed the municipalities because the municipalities squabbled over it and couldn't come up with a unanimous agreement, and they blamed the municipalities for the failure of the eight city plan. I suggest to the government that if they ever wait for the unanimity of all the municipalities in the Metro Winnipeg they'll never get any unanimity and they'll never get any plan, because there comes a time when the Provincial Government who created these municipalities have to accept the responsibilities to say, "Now, under new conditions with new problems, we must

(MR. MILLER, cont'd)change things", and they have to accept these responsibilities and to impose them if necessary. To do otherwise would I think be to unleash another five and six year argument that will get us nowhere and as I say the best example of that is the arguments and the free-for-all that developed in 1958 with the publishing of the Metropolitan Investigation Commission report.

Now at that time they came up with eight cities, and that was done by accepting certain standards which a municipality had to meet in order to survive. If it didn't meet those standards it was eliminated and this was how eight were achieved; and I don't doubt that if they wanted to create four cities they could simply by adding new standards which a municipality or a given number of municipalities would have to meet. This isn't difficult, it's easy to work out. But whichever way it's done I would suggest to the Minister that I hope the government is not contemplating that at that time votes be taken or this Legislature be asked to go out and sell ratepayers on, or sell voters in municipalities to vote in favour of certain provisions or certain recommendations. The government has to accept the responsibility because the government as I say created these municipalities, is the father of these municipalities and therefore has to take the responsibility.

There's one item I would like to mention that's come up recently and we'll be dealing with it, but I thought I'd bring it up today. It's the question of the problem facing some of the municipalities in the Metro area or in the outer zone of Metro area. These people by and large in the main are small farmers or small landholders, market gardeners and so on who today are caught in an awkward position; they are today assessed on market value of land as if they were living in an urban area, but they are still using their lands for what they bought them originally, for gardening or for farming. As a result they find that their assessment has been rising rapidly over the last few years because they're assessed as if they were, as I say, within an urban area of growth. So today you have a situation where some of these farmers are caught between a very high assessment and therefore a very high taxation on land which basically is still farm land and which is only being used for farm land, and I'm wondering whether the government is giving any consideration to working this out with Metro or directly by themselves to give some consideration in this case to assess these lands as farm lands while they're being used as farm lands and not to assume that because they may be in time swallowed up by the expanding urban growth that perhaps five or ten years from now they may be sold to the land developer for subdivision for homes. I suggest that if that day comes some adjustment maybe have to be made for taxes that haven't been paid, but for the present I think it imposes a great hardship on a farmer or on a man who works his land and uses it to produce certain vegetables or crops to suddenly be faced with an assessment which throws him out completely and makes it impossible for him to work that land economically. So as I say, I'm wondering whether the Minister is giving that any thought or is considering that at all.

Now I don't want to go on with too much of this. I think there's a number of items I'll be bringing up as we go into details in the estimates, but I wanted to finalize by reiterating as I did to start with, that I think there's a very serious problem in Manitoba in regard to the relationship between the municipalities and the province; although they get along well, I think a serious sickness has developed in the fact that the municipalities have not been able, and are not able today, to grow and to develop and to start functioning as they did many years ago, and I think there's a danger of degenerating almost to a point where if we're going to maintain and if we're going to accept the idea that historic roots of our democratic system require strong viable municipal organizations or areas, if we're going to accept that then we have to be prepared to give these municipalities the fiscal power to perform their duties and to fulfill their obligation to their community; otherwise the municipalities are simply going to wither, they'll end up in a complete box with one hand stretched out to the province asking for more money, putting more pressure on the province, and on the other hand not being able to do what they should do for the residents, what the residents want them to do and what the residents would like to have as I say in a modern society. So I'm hoping that as debate continues some of these answers will become clear.

MR. HILLHOUSE: Mr. Chairman, lest there be any one that's disappointed, I wish to move, seconded - no, I don't have to say - I wish to move that the Minister's Compensation Salary and Representation Allowance of \$18,000 be reduced to the level of the 1966-67 appropriation of \$12,500.

Mr. Chairman put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and Nays, Mr. Chairman.

MR. CHAIRMAN: Call in the members. All those in favour of the motion please rise. A counted vote was taken, the result being as follows:

MR. CHAIRMAN: For the motion, 13; opposed, 37. I declare the motion lost.

MR. DESJARDINS: Mr. Chairman, I would move that the words, "and representation allowance" be struck out of Item 1 (a) of this same department.

MR. CHAIRMAN: Are you ready for the question?

MR. DESJARDINS: Mr. Chairman, I just want to point out to you how edifying it is to see that all the Cabinet Ministers are here to defend their salary and their tax-free allowance. We've been debating and we've been talking about the estimates for an hour and a half and there's been at least seven Cabinet Ministers missing, at all times - some of them come and some have gone but it's very nice to see that they're so eager to be present and make sure that their salary and their tax-free expense account will be

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and nays, Mr. Chairman.

MR. CHAIRMAN: Same division? No movement?

MR. MOLGAT: No movement. Same division.

MR. DESJARDINS: Mr. Chairman, will you call this vote? This is

MR. CHAIRMAN: For the resolution 13, opposed 37. I declare the motion lost.

MR. DESJARDINS: Mr. Chairman, before the Minister replies, I think that it is quite important to discuss the question of this Boundary Commission. We are asked to vote a certain amount here, this is something new, and before this is done I think that the Minister should clarify a few things. I think that the government have had an idea how the people of Manitoba feel; they would like to know what's going on and they want to be treated as if they had a little bit of intelligence.

Now, Mr. Chairman, I'd like to ask the Minister if he can justify the naming of a defeated cabinet minister to head which is supposed to be an independent commission. The First Minister of this province contradicted himself while being asked questions on this subject; the new Chairman of the Commission, the defeated Minister of Municipal Affairs, stated quite clearly that this job as far as he was concerned was a part-time job or he never would have accepted this job, this was quite clear. The First Minister stated in this House early in the session that the Chairmanship of this Commission was and had to be a full-time job. The Chairman at a later date stated that this commission should be added for at least five years. Now, Mr. Chairman, we are paying \$12,000 for a full-time Chairman of this Commission, but the Chairman himself says that he is not going to be a full-time chairman. I think that we are entitled to receive an answer on this; and I also would like the Minister to assure the members of this House that there will not be any conflict of interest.

I read not too long ago that the Chairman who has established a law practice here has been appearing in front of different municipalities representing certain clients. Wouldn't that be an indication that there could, that there might be conflict of interests, Mr. Chairman? I think that this is an important thing especially in view of the fact that this - there shouldn't be no politics in this commission, no partisan politics. The First Minister this afternoon was very pleased that I suggested that we should do something without thinking of partisan politics and I'm saying that this is a good place to start.

The Deputy Chairman is also a defeated candidate - the last election. Two others are defeated candidates, two or three; one is a brother of a Cabinet Minister, two or three are well known active workers for the Conservative Party. Mr. Chairman, isn't this stretching things a little too far? Another one was defeated, not as a candidate but he lost the nomination for the Conservatives. Now is the Minister serious in wanting the people of Manitoba to believe that this will be a non-political, an independent, unbiased commission? Is the Minister very serious in saying this? It seems to me that there's enough qualified people here in Manitoba, people that could serve their province without having to resort to this kind of procedure to name such a board. And when the Minister is answering me I wish that she would tell us what's going to be done with one of the defeated candidates, Mr. Michael Posmituck, who admitted that he made a statement that if you didn't vote on the right side, don't expect too much.

Now, Mr. Chairman, the people of Manitoba are fed up with this and they're concerned. We've had examples here before of other high ranking officers of the Conservative Party heading other Commissions, other Boards; there's the Minimum Wage Board - this is none

(MR. DESJARDINS, cont'd) other than the President of the Conservative Association of Manitoba. I think that certain things that are so important and so serious, Mr. Chairman, I don't think that it's right for the Minister and the government to just shove it down the voters throat. This is not right. This is not right, Mr. Chairman, and we must have an answer. If the Minister and the government insist on keeping this Commission the way it is formed now at least we want to know who has the responsibility of running this province, a defeated candidate or the First Minister of this province. Are we to have a full-time Chairman of this Commission. You'd think that the Cabinet and the government who set up this Commission, who stated, in the voice of the First Minister, that this will be a full-time Chairman, you'd think that they'd have something to say in this.

Mr. Chairman, we are faced now with a Cabinet who demands more and more; more pay, more expense accounts and we are also faced with a government that is governing by Boards and Commissions and this is no longer the democratic way of doing things. This government will not stand on its own two feet, will not take any responsibility and at least if they were to name truly independent boards and commissions, at least we could understand. We would know that the work would be better done than if it was done by the people opposite us although it wouldn't be the same leadership - it wouldn't be leadership at all - but now it is just paying off - I'm making this accusation; this is just paying off the election debt. This is just taking care of people that ran for the Conservative Party. We've had that in the past. Where will this stop, Mr. Chairman? Where will this stop? This is too important, this Commission has to do very important work; and Sir, the members of this House do not have confidence in this Commission. I'm not including all the members in this, but the way this is done, it doesn't lead to inspiring - it doesn't inspire confidence at all - and which is more important the people of Manitoba do not have confidence. If this government cannot take the responsibility, if this government is afraid to legislate, to act, to stand on their own two feet, well I think that maybe we should go to the people again because the people have spoken not too long ago and I think they will again. It's not right; it's not right to say we have another 4 years to go, the people will forget. Let's take care of our friends, let's take care of the members of the Cabinet. This is not right, Mr. Chairman, and I think that the Minister who's starting now in this new portfolio, I think that she should take steps to correct this in order that the people of Manitoba will have at least some confidence in their government and in order that we could proceed with what has to be done here without politics - partisan politics.

These people, if they want to run as candidates that's fine, but I don't know, I've never seen it written anywhere that you have to take care of your defeated candidates. Mr. Chairman, you have a Chairman of this Commission now that doesn't want to be a full-time Chairman, and it seems that he's running the show - he's calling the shot; and you have another defeated candidate that admits that he made the statement that unfortunately if you didn't vote the right way don't expect anything. And this coupled with some of the advertising that we've seen during the campaign of reading between the lines that would seem to indicate that this man was right. Read between the lines and you'll see that if you play ball with us we'll take care of you. This has been done before, this kind of pork barrel; this has been done in the days of Duplessis and is probably done up to a certain point in nearly all the governments.

MR. DOERN: Pearson does it.

MR. DESJARDINS: Maybe he does. Maybe he does, but I was elected here like my honourable friend to look after the affairs of Manitoba. If he wants to run in the federal field, that's his business; that's his business. As long as we're here to decide what should be done with Manitoba we will not say we will bring another wrong and two wrongs will make a right. I don't believe in that -- very sorry.

The Attorney-General seems to think that this is a laughing matter and this only proves again the arrogance of these people across from us. They will name these people, they will call the shot, they will play by their rules and they'll laugh at you besides that. They'll laugh at the people of Manitoba and if the going gets rough they want to take their toys and go home. Well maybe that's what you should do, maybe we should have another election. Maybe we should give some protection to the people of Manitoba because this is certainly not the way to do it, the way this Commission was set up.

MRS. FORBES: Mr. Chairman, if no one else wishes to say anything right now probably I could attempt to answer some of the questions which have been put to me.

First of all the Honourable Member for Turtle Mountain in his remarks mentioned something about enlarging the boundaries of municipalities and how disturbing this was to a good many

(MRS. FORBES cont'd)..... municipal men. I join with him in saying that the municipal men of this province have done an excellent job and I certainly think that tax wise they have been very very efficient and that I commend them highly for what they have done; but I also remember what the Honourable Member for Kildonan - I'm sorry Seven Oaks - said here, that in many ways these men are not able always to do just exactly the things that they have in mind and really we have several things to think about here - do they have the tax base. I'm sure that the honourable member heard me when I spoke at a Municipal Convention and I think that he must know that I suggested there that they look at this themselves and not go for large areas for largeness sake only but for the sake of efficiency if they see it that way. I'm sure they should be encouraged to look at this themselves and no one has any intention in my mind of doing anything which would force these people to do something which they are not willing to do.

I think that boundaries should only be changed where there is a need, particularly with a view to having the boundaries of local government units as coterminous as possible with other units. And I did suggest here that school boundaries and municipal boundaries and health unit boundaries and so on, if they could be coterminous, if they could form a community of interest, that it would be a step in advancement for the municipalities of this province; that if they could find themselves interested where they would like to join in a group that has the centre of interest then this should be all for the betterment of the boundaries of their municipalities. But this initiative must come from the municipalities themselves; and indeed, Mr. Chairman, I must tell you that some municipalities have already suggested that they would like to join and they are thinking and talking along this way. Not all of them but some of them have interests in common and they can see where there are duplication of services and they are doing this, and I highly recommend to them that if they see this as something that they would like to do then certainly we won't stand in their way and we'll give them all the encouragement possible.

..... continued on next page

(MRS. FORBES cont'd)

The honourable member here mentioned the Boundaries Commission and I think that probably several of you have and probably I could deal with the Boundaries Commission in lumping it altogether, so I'll come back to it afterwards. He mentioned here the fact that municipalities are responsible for the collection of hospital premiums and probably he says that we intend to load them with the collection of medicare premiums. Well I think he's a little premature here, I don't think that we've announced anything in this respect, but may I say to the Honourable Member from Turtle Mountain that if a person in a municipality does become ill and he doesn't have his hospital premiums paid then certainly it's the responsibility of the municipality to look after him. I think that municipalities took it upon themselves that they would much prefer to see that the premiums of everybody was paid up so that they don't have this added expense and by and large I think it has worked very nicely in all municipalities. I belong to the country as well as the Honourable Member for Turtle Mountain and I really don't think I've heard this criticism of our friend.

He mentions that assessment costs - municipalities are asked to pay one hundred percent of the assessment costs. Well, if we turn to the Michener Report and its recommendations, the report of April 1964, you will note that the costs - Recommendation 29, Michener suggested the entire cost of this assessment service by the province should be charged to and paid by the municipalities concerned.

Recommendation 30 is on the interval of assessments. The mandatory period of seven years for reassessment is too long. We recommend complete reassessment at intervals ranging from a maximum of five years down to one year, depending on the rate of change of property values in the different communities. For example all property in Metropolitan Winnipeg should be reviewed every three years and annual reviews should be made of lands in areas of rapidly rising values. And if we look at Recommendation 31 on the staff, the staff of the Provincial Assessment Branch should be increased as may be necessary to give effect to these recommendations.

Another point that he made here was with regard to safeguards in a municipality and he stated that the Department under the direction of Mr. Richmond suggested that cash registers be in every municipality and yet this didn't help to erase all the difficulties that they ran into. Now, I'm quite sure that Mr. Richmond is interested only as the Director of Finance and the Director of Audits in establishing a most effective method to ensure that the assets of the municipalities are adequately protected, and I feel that if a cash register was something that he thought would be to their benefit then this is why the suggestion was there. I don't believe that he mandatory asked every municipality to have a cash register - maybe they all have, I haven't been in every municipal office - but I think it was in their own interest of course that he would.

He also said here the number of forms that the municipal clerk was asked to fill out. Now many of these forms certainly don't come from this office but they come from the Dominion Bureau of Statistics. We are currently working with the Dominion Bureau of Statistics in an effort to try and consolidate these reports and we hope to furnish much of the required information directly to the Dominion Bureau of Statistics from our own Budget and Finance Department. Now of course this depends largely on the standardization of the accounting system that is presently being worked out with the Dominion Bureau of Statistics and I think I referred to this in my speech this evening.

He mentioned school divisions who were not in - the 19 who were out - and the tax rebate that they will be taking off at the source and what are they supposed to be doing, are they going to be paid these immediately or what is the situation? I would suggest that municipalities probably would be expected, that once they take the rebate off at the source that this will be payable upon requisition by the municipality to the Provincial Treasurer of this province.

He mentioned in here too that there should be some protective measures to properties such as this branch of Municipal Affairs should suggest that for fire protection and so on that we should have connectors of a standard make, size and so on so that our equipment can move freely from one town to another. I think it's a good suggestion, we can take it under consideration and we'll see what could be done in this.

He also asked how costs were apportioned, and they are apportioned of course on the basis of equalized assessment for those municipalities which are included on our assessment program.

Now there are maybe some that I have not jotted down. If I come across them again I'll

(MRS. FORBES cont'd) try to remember them and give them to the honourable member if at all possible.

In dealing with the Honourable Member for Seven Oaks, when he started his, I think he mentioned first of all the Fisher Commission and the Michener Commission and he said that this government has taken no action whatsoever. Well I think that this is a little misleading on the part of the member because we have taken action on various recommendations of the Michener Report and although they are not all fully implemented they have been implemented to a degree and maybe I could go over one or two of them.

Recommendation 13 actually wasn't implemented in the form that it was proposed but the province has increased - during the past few years it certainly has increased its grants to education quite substantially. For example the school grants amounted to about 28.5 million in 1964 and it increased to 37.8 million in 1967; and in addition to this the province as you recall paid a school tax rebate as shown on the real property tax roll of any municipality as a means of reducing the impact of local taxation. I know now that you know on the new formula grant of course what - the new Foundation Grant rather - what we intend to do in this which will be further implementation of Recommendation 13.

Recommendation 15 was with respect to the financing of local school districts by school divisions. Prior to the Michener Report there were certain single district divisions in the province where the division board looked after both elementary and secondary education. One or two such divisions have been created and there appears to be some indication of further movement in that direction long ago so we're taking a further one now of trying to get single boards.

The Michener Commission recommended changes in local government boundaries to be initiated by a boundaries officer and of course we have the Boundaries Commission which has come into being in the last session of this Legislature.

Some of the recommendations in the Michener Report of course are normal changes in existing programs and if you look at Recommendations 28, 30 and 32 you will see that in the normal course of events some of these have been implemented to a degree.

We now pay grants in lieu of taxes as recommended in Recommendation 37. The annual grants paid to municipalities in respect of the provincial properties amount to about 1.5 million per year.

Recommendation 53 of the report suggested that there be a uniform sales tax recommended. Now the government did impose a uniform sales tax on selective sales items such as gas and oil and tobacco, liquor and so on, and the monies raised by this selective tax provides for the revenue to the Consolidated Fund, and of course now we are proposing a five percent tax which is before you for your consideration at the present time.

Recommendation 69 is of interest too and I bring it to your - for you to note - and this recommendation was fully implemented. In addition to the province being responsible for provincial trunk highways it's also being responsible for provincial roads. The provincial roads are really connector links between the urban municipalities and I think that they have proven their worth over the years.

Mr. Chairman, I note that the time is running short for me here, so if you wish to call it 10:00 o'clock I'll be able to continue tomorrow. Thank you.

MR. LYON: Committee rise.

MR. WATT: Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has adopted certain resolutions and directed me to report the same and asks leave to sit again.

Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Treasurer that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Tuesday afternoon.